INTERNATIONAL TRADE CENTRE

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

GENERAL AGREEMENT ON TARIFFS AND TRADE

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EVALUATION OF THE SERVICES OF THE INTERNATIONAL TRADE CENTRE FOR THE DEVELOPING COUNTRIES

Follow-Up Action on the Recommendations of the Second Session of the Advisory Group

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1. Introduction

It will be recalled that the Second Session of the Advisory Group made the following recommendations with respect to the work to be carried out by the Centre on evaluation prior to the Third Session of the Advisory Group to be held in 1970 (paragraph 48 of ITC/AG/7):

1. The practice of asking the developing countries to send reports on the utility of the services rendered by the Trade Centre should be continued. In order to obtain systematic reports the Centre should send a detailed questionnaire which should be related to specific assistance given by the Centre.

2. The reports received from the developing countries, along with reports on the experience gained by the Centre on the evaluation of its activities, should be circulated at least six weeks before the next meeting of the Advisory Group.[1] Sufficient time should be set aside at future meetings of the Group to make a detailed examination of these reports.

3. Internal evaluation within the Centre on individual projects should be strengthened, and the Centre should explore the possible means of determining the utility of specific activities and programmes on a selective basis, taking into account the discussions in the Advisory Group.

There are two issues involved in these recommendations:

A. Improvement of internal screening procedures within the Centre with respect to requests for assistance and working methods in regard to the formulation, implementation and evaluation of results of individual assistance projects.

B. Appraisal of the impact of the Centre's services as a whole in the developing countries in order that the Advisory Group may be in a position to arrive at an informed view as to whether the future programme under consideration meets identified needs.

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[1] Since the date of the Third Session of the Advisory Group was advanced to January 1970, it was not possible to conform to the Advisory Group's desire that this report should be circulated six weeks in advance of the meeting.

A. EVALUATION AND WORKING METHODS WITHIN THE CENTRE

The Centre's report to the Advisory Group (ITC/AG/9) contains the results of the investigation that the Centre has carried out in respect of its organization and working methods. It will be evident from this report that, unlike in the past, the Centre does not undertake a major assistance project for a country on the basis of a request for a special type of service. It exercises greater care in screening requests for assistance in order to ensure that the assistance requested meets the priority needs of the country concerned. In many cases this screening procedure would result in the Centre proposing to the country other alternatives which would better serve the overall needs and objectives of the country in the field of export promotion. The Centre's concern in this regard is shown by the number of fact-finding missions that have been undertaken in developing countries following desk studies carried out in the Centre's headquarters. This procedure applies to the provision of trade promotion advisory services, training, and market information. In order that the screening of requests and formulation of assistance programmes may be carried out in an effective and co-ordinated way, a co-ordinating group of the senior officers of each of these services along with a senior officer of the Office of the Director, has been set up to make recommendations on major assistance programmes.

As explained in document ITC/AG/9, during the execution of an assistance project, whether it be a market research project, or a trade promotion advisory mission, or a training programme, or a package assistance project involving more than one service, the Centre retains responsibility for supervising the execution of the project, even though it is carried out with experts specially hired for the purpose. The periodic reports of experts involved in field projects are studied by the Centre and advice is given on desirable changes in the operation of the project. In the case of trade promotion advisory missions provided to countries, the experts provide a final report at the end of their assignment which is again scrutinized by the Centre to ensure that the experts have carried out their terms of reference.

In the field of market research, major market surveys undertaken for individual countries were not consistently followed up by the Centre to keep itself informed as to what action had been taken on the specific recommendations addressed to countries in such surveys. During 1969 the practice has been established of keeping track of action taken by countries on the conclusions of major market surveys directed to individual countries. This has resulted in the discovery of inadequacies in export marketing and promotion in certain countries. Marketing advisers have been provided in some cases in order to help the country to act upon the recommendations made in market surveys.

In the case of training programmes, every effort is now made to follow how trained personnel are being used in the countries. In a number of countries it has been found that, due to the lack of adequate institutional arrangements for export promotion, trained personnel are located in positions where their training cannot be utilized most effectively. Thus evaluation of the impact of a training course has revealed the need for improving the institutional infra-structure and has generated further requests for assistance.

Because of these experiences, the Centre has adopted the concept of the package programme approach in providing assistance in the field of export promotion - this involves identifying all the needs of a country and dealing with the most urgent of them on the basis of an agreed plan of operation.

With respect to the evaluation of the impact of assistance projects directed to a country or a group of countries, the Centre's reports to the Second Session of the Advisory Group (ITC/AG/5) clearly admitted that isolated short-term assistance in limited fields, as provided by the Centre in past years, did not appear to make a significant contribution to the export promotion efforts of the countries concerned. The same view is reiterated in ITC/AG/9. It is in pursuance to this assessment that the Centre's objectives and working methods are now directed to the provision of integrated package programmes of longer duration which will be geared to the priority needs of national programmes for expansion of exports. Since the Centre has not yet completed the operation of a single project of this kind (in fact the only package assistance project that has been in operation for over a year is the one in Tanzania), it is not possible to provide a report on the evaluation of the impact of such a project.

Since, by its very nature, the publications programme does not lend itself to the techniques of servicing and evaluation applied to other activities, the Centre obtained the services of a Swedish consultancy firm (with financial assistance from the Swedish International Development Authority) to carry out an appraisal of the impact of: the International Trade FORUM; published market surveys; handbooks on trade promotion techniques; and directories and bibliographies. The Centre also undertook a reader preference survey in order to find out the views of readers on the features presented in the FORUM. Furthermore, in order to ensure that the content of handbooks on export promotion techniques is oriented to the needs of developing countries, the first drafts of these handbooks are sent for critical comments to recognized experts in both developed and developing countries, and the final drafts are based on the advice given by these experts.

The recommendations contained in the report of the consultancy firm on the Trade Centre's publications, which is given in full in Annex II, need to be given careful consideration by the Advisory Group, especially since these are likely to have some budgetary implications in the future. These recommendations are mainly concerned with the improvement of the system of distribution of publications in order that they may have a wider impact in the developing countries. The secretariat will consider the recommendations in the light of the views expressed by the Advisory Group.

B. OVERALL PROGRAMME EVALUATION

The review of the aims and objectives of the Trade Centre and of its work programme is the responsibility of the Advisory Group. To assist the Advisory Group in this task, the secretariat prepares annually a report that contains proposals for future activities based on the Centre's experience of changing needs and priorities as more countries begin to take serious initiatives for expanding their export trade. The report in ITC/AG/9 is a major reappraisal of the rôle and objectives of the Centre and of the priorities with respect to its work programme.

With a view to assessing more precisely the impact of the Centre's principal services in the developing countries, the Advisory Group recommended that a questionnaire should be sent to the developing countries to ascertain their views.

In pursuance of this recommendation, the Centre addressed a detailed questionnaire to the developing countries seeking their views on the services provided by the Centre. Up to 10 December 1969, forty-one developing countries had furnished replies to the questionnaire. The questionnaire and the replies received will be circulated as an addendum to this document. A summary of the salient common features contained in the replies is given below.

The Centre also circulated a questionnaire to developed countries in order to obtain information on the experience of developed countries in evaluating their export promotion efforts, since it was felt that their experience could serve as a useful guide both to the Centre and to developing countries. The questionnaire addressed to the developed countries, and the replies received from them are attached to this report as Annex I.

Analysis of replies received from the developing countries

The questionnaire sent to developing countries in August 1969 was accompanied by a description of the main activities of the Centre. It also drew attention to the activities of the Centre which were of direct interest to individual countries, as well as to assistance rendered specifically to the country concerned.

The countries concerned were asked to reply to twenty-eight questions dealing with the four main services of the Centre. Though the number of questions and their content varied from service to service, the main purpose was to obtain the views of the developing countries on the following points:

1. The usefulness of the service in the context of the export promotion needs of the developing country.
2. The standard and quality of the assistance given.
3. The impact of the assistance on the export promotion efforts.
4. Suggestions for improvement.

The questionnaire was addressed to ninety-seven developing countries belonging to Africa, Asia, Latin America and Europe. As of 10 December 1969 the Centre has received forty-one replies. A regionwise break-up of the replies received is given below:

	Number of countries to which questionnaire was sent	Number of replies received	Percentage
Africa	39	16	41
Asia	30	12	40
Latin America	24	10	42
Europe	4	3	75
	97	41	42

It might be recalled that, following a recommendation made by the First Session of the joint UNCTAD/GATT Advisory Group, the Centre had addressed a questionnaire on evaluation to the developing countries in 1968, which was answered by thirty-three countries.[1] Seventeen of those countries have replied to the second questionnaire. Sixteen countries which replied in 1968 have not so far sent any replies to the present questionnaire, but twenty-three countries which did not reply last year have replied this year. If both questionnaires are taken into account, so far fifty-six countries (or 58 per cent) of developing countries served by the Centre have expressed their views on the activities of the Centre. It can reasonably be expected that a few more countries will send their replies before the meeting of the Advisory Group.

The replies generally express appreciation of the activities of the Centre, and stress the important rôle it could play in the export promotion efforts of developing countries. The countries that have utilized the assistance provided by the Centre have stated that the services have been useful to them and have requested the continuance of these services. Irrespective of whether they have utilized one or many of the services of the Centre, they have emphasized that they consider all the activities of the Centre to be relevant to the export promotion efforts of the developing countries, and have suggested the strengthening of the Centre's activities, so that all developing countries may be able to take advantage of them to the fullest extent.

Attention has been drawn, in many of the replies, to the difficulty in evaluating the impact of the overall activities of the Centre. A number of replies have stressed the fact that it is premature to attempt to evaluate the impact of the assistance rendered, since the Centre has been in operation for a relatively short time. Several countries have pointed out that they have only recently embarked on serious export promotion efforts and it would take them some time before they could derive full benefit from the services provided by the Centre. Some countries have pointed out that a detailed evaluation of the kind requested in the questionnaire is a time-consuming and costly task if results of value are to be obtained, and that it would involve a diversion over long periods of limited specialist staff from other more important and urgent tasks directly related to export promotion. The general view seems to be that it is too early to evaluate the Centre's activities and that an opportunity should be given to the developing countries to express their views after a lapse of time.

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[1] The replies received were circulated to the Second Session of the Joint Advisory Group in document ITC/AG/6 and Add.1.

Market Research Service

The majority of the countries that have replied have indicated that the assistance rendered by the Market Research Service meets the specific needs of producers and exporters. A few countries have pointed out that they cannot express any views on this since they have not made use of this service.

As far as the information to be included in the market studies is concerned, the replies in general show that all items covered in the present surveys are useful and should be covered in future market studies also. The greatest interest has been shown on the following aspects: information regarding commercial policy and fiscal measures and other trade regulations; freight rates and transport costs; description and analysis of trade channels; price trends and outlook, and appraisal of future demand; advice on sales promotion. Following are some of the specific suggestions made regarding the items to be included in the coverage of future surveys:

1. Seasonal variation of demand with regard to different products.

2. Information on governmental and non-governmental agencies which will be in a position to supply additional information about specific points.

3. Prices paid for export products in different importing countries.

4. Names of investors who might wish to participate in the promotion of export goods.

Most of the countries have replied that, for many reasons, it is not possible for them to evaluate the specific contribution made by the service towards increasing the exports of their countries. Some countries have pointed out that their export promotion organizations have been set up only recently and, therefore, it has not been possible to make full use of the market studies made by the Centre. Certain countries have stated that since the surveys are actually used by the exporters and not by the government, it is not possible to specify the instances of these exporters making use of the surveys. A few countries, however, have said that some of the studies have been of specific utility in promoting their exports. Among the studies mentioned in this connexion are the studies on shrimps and prawns, plywood and veneer, tobacco, cottonseed oil, and canned beef.

Regarding the future work of the Market Research Service, most of the replies have requested market surveys on items of export interest to their countries. It has also been pointed out that specific surveys directed to the needs of individual countries would be of greater benefit than general surveys.

As regards the question relating to the improvement of the activities of the Market Research Service, a number of countries have pointed to the importance of distributing the market surveys as far as possible to people who

are directly interested in them. Another suggestion made is that officials from developing countries should be increasingly associated with the conduct of market surveys of interest to their countries. It has been pointed out that the participation of specialists from developing countries in the market surveys of interest to them will be of very great help to these countries in following up the conclusions of the survey, and for carrying out in the future such studies without recourse to assistance from the Centre. Another suggestion is that the Centre should make available to the developing countries market research and other studies carried out by other international organizations and public or private bodies, as well as information on global tenders. Yet another suggestion is that the Centre should furnish information on the possibilities of industrial co-operation for the production and marketing of export goods in developing countries.

FORUM and technical handbooks

All countries which have replied to the questions relating to the FORUM have expressed the view that the journal is of considerable usefulness in their export promotion efforts. Here again, the replies have pointed out that it is not possible for them to give information about the business contacts which might have been established as a result of material appearing in the FORUM. One country has pointed out that articles in the FORUM have been of direct benefit to it for starting a commercial attaché service and for the simplification of export documentation. As regards the length of articles, the majority of the replies received have expressed preference for longer articles dealing with single subjects so that the topics covered could be dealt with in detail. Other countries have, however, pointed out that each issue of the FORUM should deal with a variety of subjects so that it would be of interest to many countries. Several countries have stressed the fact that the subjects covered should be dealt with in depth, instead of in a general way. The consensus seems to be for certain issues dealing with a number of subjects, and other issues devoting themselves entirely to a single topic or problem.

As for the subjects to be included in future issues, a number of countries have suggested that the FORUM should devote increasing attention to information on commercial policy measures in importing countries, as well as to the problems connected with freight forwarding and export credit. Attention has also been drawn to the need for greater attention to developing country markets for manufactures and semi-manufactures. In this connexion a suggestion has been made that the FORUM should contain information about specific trade inquiries. A number of countries have stressed the fact that the Commercial Policy Chronicle should appear more frequently and should be delivered more quickly.

As regards the technical handbooks, the replies received so far have expressed satisfaction with respect to the standard and quality of the manuals and directories brought out by the Centre, and have pointed out the important rôle they have to play in creating an awareness of export promotion problems and possibilities. Emphasis has been laid on the need to revise periodically and

bring up to date all the bibliographies and directories already published. A number of countries have asked for a new edition of the manuals dealing with export promotion techniques, compilation of basic information on export markets, and export marketing research for developing countries. As far as the handbooks in preparation are concerned, particular interest has been shown in the handbooks dealing with "Export Promotion - A Systematic Approach", and "The Organization of Commercial Representation". Many countries have pointed out that these handbooks will be of direct benefit to them for organizing and streamlining their export promotion machinery. As for future publications, special interest has been expressed for a handbook dealing with organization and dissemination of commercial information, and another dealing with export publicity methods for limited budgets. While the replies relating to publications in general show appreciation of their layout and presentation, a number of countries have pointed to the need for improving the distribution system of all Centre publications.

Training service

A number of countries have stated that they have not yet benefited from the training facilities offered by the Centre. Other countries have pointed out that their experience has been too limited to permit any judgment. These countries have, however, emphasized the importance they attach to training in the field of export promotion.

While the replies in general express satisfaction with the standard and quality of the training programme offered by the Centre, as well as by the developed countries, many countries have stressed the need for giving a practical orientation to these courses, especially those conducted by institutions in developed countries. It has been pointed out that most of the trainees already possess a fair theoretical knowledge of economics and international trade, and what they really need is training for specific operational tasks. Emphasis has been laid on the need for single-country training programmes either at the Centre or in the developing countries. It has been pointed out that care should be taken to see that the country training programmes deal specifically with the problems of the country, instead of with export promotion problems in general.

A specific suggestion has been made that the Centre should introduce audio-visual training courses which could be distributed to the developing countries along with supporting texts, in order that the training programme may reach a larger number of exporters and government officials in developing countries.

Trade Promotion Advisory Service

A number of those countries who have benefited from the assistance given by the Trade Promotion Advisory Service have referred to specific instances where the advice given by the Centre helped them to establish export promotion

institutions. Many other countries have expressed their intention to seek assistance from the Centre for building up export promotion institutions and services.

While the replies have expressed satisfaction with the assistance provided by the Centre's advisers, several countries have pointed out that experts sent to the developing countries should stay in a country for a sufficiently long time, so as to gain a clearer understanding of the specific problems of the country and the environment in which their suggestions would have to be implemented. A proposal has been made that a larger number of experts should be employed from other developing countries. It has also been pointed out that the experts should more actively participate in the export promotion efforts of the country and devote greater attention to training the officials of the country concerned.

A suggestion has been made that the service should organize and finance trade missions for developing countries. Another suggestion is that the Trade Promotion Advisory Service should give special assistance on the possibilities of organizing regional export promotion.

General conclusions

Because of the variegated nature of the replies, it is difficult to draw any firm conclusions, but it would appear that the countries which have replied are generally in agreement on the following points:

1. The services provided by the Centre meet the needs of the developing countries and should be continued and strengthened.

2. Instead of dealing with export promotion problems in a general way, the Centre should deal with specific problems in greater depth.

3. The distribution of the Centre's publications should be improved.

4. It is premature to undertake a detailed evaluation of the overall activities of the Centre.

Since two questionnaires have been sent to developing countries in two successive years, the Advisory Group would wish to consider whether the responses to these questionnaires provide the Advisory Group with any useful guidelines for evolving future work programmes and whether, taking into account the amount of staff time that is expended on this exercise by the secretariat and its budgetary implications it should be continued on a regular basis.

C. PROBLEMS OF EVALUATION OF TECHNICAL ASSISTANCE ACTIVITIES

The agencies belonging to the United Nations family of organizations have been well aware of the complexities involved in evaluating their technical assistance activities. An inter-agency group on evaluation has been examining this matter for the last few years. The work of the group so far has been concentrated on the techniques to be adopted for the evaluation of projects as distinguished from programmes, since it was felt that an evaluation of individual projects will be more fruitful than attempts at evaluating total activities. In fact the group has recommended the suspension of overall impact evaluation missions, pending further study of this issue.

The most significant of the conclusions reached by the inter-agency study group after extensive examination of all the aspects and problems of evaluation is that the phases of project preparation and appraisal of requests are the most crucial and most important in the evaluation of any project. It is at this point that programme decisions and financial commitments are made which bind the parties concerned, often for a period of years. This is the point at which evaluation in the sense of identification of needs of the country concerned begins. The next stage is the appraisal of requests, at which individual project proposals are examined to ascertain their relevance to the identified needs. Once approved, the projects should be subjected to operational control for monitoring administrative and technical performance. Upon completion, projects are examined from the standpoint of an assessment of the results to determine to what extent the project's targets were attained. It is clear that some element of evaluation enters into each of the several phases in the life of a project.

Replies received from the developed countries on evaluation techniques also underline the difficulties inherent in any overall evaluation of export promotion assistance. From these replies it would appear that none of the developed countries have undertaken an independent evaluation of their total export promotion activities apart from the continuous internal reviews of the activities which are undertaken in the process of programme formulation, similar to the continuous reviews undertaken by the Trade Centre. Evaluations in the sense of independent assessments, separate from internal programme review, have been confined to certain specific activities such as participation in trade fairs, trade missions and export publicity. It would also appear that none of these countries have undertaken an evaluation of those among their activities which are similar to the main activities of the Centre.

A study of the evaluation techniques adopted by other international agencies and developed countries seems to suggest that, at least for the time being, it is futile to attempt any global and systematic evaluation of all the different activities of the Centre, since no techniques have been developed for such overall evaluation. To be effective, evaluation should therefore be conducted at the project level on a continuous basis embracing the many different phases of a project. Post-project assessment on the impact of the assistance given is only one aspect of this process.

It may be appropriate to mention here certain problems connected with evaluation of technical assistance projects, especially those in the field of export promotion. The International Trade Centre renders assistance in certain specific fields which form part of the larger area of what may be termed as export development. Many international organizations are active in this wider field. It is not easy to distinguish between the results arising from the assistance given by the Trade Centre and the results flowing from other origins. Furthermore, in a number of countries, there are national organs performing limited export promotion functions which make a contribution to export promotion. The problem is made even more difficult by the existence of programmes jointly operated by two or more agencies, and by the fact that in some countries multilateral and bilateral assistance are aimed at the same targets. For example, if may be safely said that certain large-scale projects for malaria eradication could never have been undertaken but for the technical assistance given by WHO. In such cases there is also a measureable result of the assistance given in the form of the number of persons freed from the danger of infection. No such assessment can be made of the impact of the export promotion assistance given to a particular country.

Another aspect of the problem to which attention should be devoted is the cost of undertaking any systematic evaluation of the various activities of the Trade Centre. In order to provide for the increased expenditure necessary for a systematic and continuous evaluation of individual projects, a percentage of estimated project cost would have to be specifically earmarked for expenses involved in project preparation and to subsequent phases in the life of a project where elements of evaluation are present. If, in addition, a separate and independent evaluation of completed projects has to be carried out, it would involve additional expenditure. The amount would depend upon the nature and extent of the independent evaluation. For instance, if it is decided to carry out systematic evaluation of the different services provided by the Centre, it would be necessary to establish a separate service for that purpose. Even if the independent assessment is confined to a few of the projects, it would be necessary to establish a separate unit if the work is to be done on a continuous and systematic basis. Almost all the United Nations agencies dealing with technical assistance programmes have separate machinery for evaluating the activities of their different programmes.

In view of the difficult problems involved in the evaluation of the Trade Centre's activities, care must be taken to ensure that the cost of evaluation (in terms of both money and disruption of the normal flow of work) is not out of proportion to the improvements and savings it may afford. It would therefore appear that the most economical course would be to improve the working methods of the Centre, without creating additional machinery within the Centre for this purpose. The present system of internal evaluation might be improved by making more detailed analyses than before of the requests received for technical assistance, and by increasing the frequency of inspection visits to the beneficiary countries. It would be feasible to carry out this additional work if the proposals for strengthening the office of the Director and the Trade Promotion Advisory Service, the two units of the Centre mainly concerned with the appraisal of requests, are accepted.

D. SUMMARY OF CONCLUSIONS AND SUGGESTIONS FOR FUTURE ACTION

In the light of the review of evaluation contained in this paper, the Centre would like to draw the attention of the Advisory Group to the following points:

1. No techniques have yet been evolved for a systematic global evaluation of technical assistance programmes such as is being attempted with regard to the main services of the Centre.

2. In the absence of such techniques, no useful purpose seems to be served by attempting in the near future a further detailed overall evaluation of the Centre's activities through the questionnaire procedure. Since the views of the developing countries on the Centre's activities are not likely to change from year to year, no additional information is likely to be obtained by sending out any further questionnaire on the subject. It might be sufficient to ask for such information after a lapse of time, say once in five years.

3. Further work on evaluation should be directed towards individual projects - adoption of procedures for the continuous evaluation of major assistance projects at the various stages of project formulation, implementation and completion.

The Group might wish to take into account the above suggestions, as well as the other points made in this document, while recommending the further action to be taken on the evaluation of the Centre's activities. To facilitate this work the Group might entrust this task to a small working party which might be requested to report back to the present Session of the Advisory Group, or to its Fourth Session.

ANNEX I

LETTER TO THE DEVELOPED COUNTRIES ON EVALUATION TECHNIQUES AND THEIR REPLIES

Your attention is invited to a recommendation made by the March 1969 session of the UNCTAD/GATT Advisory Group, on the evaluation of the Trade Centre's activities (document ITC/AG/7, paragraph 48), that the Centre should send a detailed questionnaire to the developing countries to obtain their views on the utility of its services. A copy of the questionnaire sent to these countries in response to the recommendation is enclosed herewith for your information.[1]

The Group also recommended that the reports received from the developing countries should be circulated to the Advisory Group along with reports on the experience gained by the Centre on the evaluation of its activities. In this connexion we intend to include information on techniques used by developed countries for the evaluation of their own export promotion work, so that the Group may be made fully aware of the various techniques that can be used for evaluating the Centre's activities. Such information should also be helpful to developing countries in any evaluation of their export promotion work that they may wish to undertake.

For this purpose, we have drawn up the questionnaire annexed to this letter. Since the Advisory Group is mainly concerned with evaluation of the overall activities of the Centre rather than of individual projects, we would suggest that your answers to the questions should deal with the techniques used for the evaluation of the overall export promotion activities in your country. For purposes of comparison and to the extent that your country is engaged in such activities, we are also interested in getting information on evaluation techniques applied to each of the Centre's basic activities, i.e. market research, publications, training and export promotion advisory service. We would further like to know how you evaluate export promotion activities we do not directly carry out, such as participation in trade fairs, and trade missions, but on which we counsel developing countries.

In order to be able to prepare our report in time for the Advisory Group's next meeting, we would need to have your reply by 15 October 1969.

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[1] See Addendum I of this document.

(Annex to letter)

QUESTIONNAIRE ON EVALUATION TECHNIQUES

1. What are the main features of your country's export promotion activities?

2. Have you made any efforts to evaluate these activities? If so, please give a description of the techniques used, with dates of such evaluation.

3. Which of the following techniques have you found to be most useful:

   (a) questionnaire;

   (b) on-the-spot investigation by the export promotion organization;

   (c) employment of independent experts;

   (d) any other technique.

4. Do you have any plans for the evaluation of your overall export promotion activities in the near future?

5. If so, what is the technique you intend to adopt for such evaluation?

AUSTRALIA

1. Australia's export promotion activities are the responsibility of the Minister for Trade and Industry. For the financial year 1969/70 (July-June) the Government has allocated a budget of $A 3.85 million for trade promotion and publicity activities. In addition, a separate budget is allocated for trade missions on a mission-by-mission basis. It is estimated that expenditure on trade missions in 1969/70 will exceed $A 100,000.

(i) Trade fairs, displays, etc.

The main activities of the Department of Trade and Industry in this field include the organization of Australian trade displays, arranging and organizing Australian participation in international trade fairs, exhibitions and specialized trade displays.

Recently display rooms have been opened at Trade Commissionar Offices in Tokyo, Singapore, Kuala Lumpur, San Francisco and Johannesburg. Small displays are organized by the Department of Trade and Industry on a regular basis. The display rooms are also available to Australian manufacturers and exporters for private displays.

(ii) Trade missions

The Department of Trade and Industry organizes a number of trade missions to overseas countries each year. These may be survey or selling missions and can be either general or specialized in nature.

(iii) Trade publicity

The Department has both continuous and specialized publicity programmes in Australia and overseas.

(iv) Overseas Trade Publicity Committee

The promotion of Australian primary products overseas is the responsibility of the Overseas Trade Publicity Committee. This Committee consists of the Chairman of the various Marketing Boards and Government officials. The Committee's funds for promotion and publicity are provided partly by the Government from the promotion and publicity budget and partly from contributions by the Marketing Boards.

The Committee carries out both continuous and specialized promotion and publicity activities.

AUSTRALIA (cont'd)

2. (i) Trade fairs, displays, etc.

Evaluations are made of all promotional activities. In major trade displays, international fairs, exhibitions, etc., the following procedures apply:

- At the display each day records are taken by each participating firm of inquiries, sales, agency arrangements, etc.
- At the conclusion of the display an analysis is made of all sales completed or under negotiation, number of inquiries, agency or dealer arrangements.
- A comprehensive report on all facets of the display is then compiled by the Director of Marketing in conjunction with the Trade Commissioner in the area.
- A separate publicity report is compiled by the Director of Publicity on the publicity aspects of the display.
- On return to Australia following the display, the Director of Marketing or a senior departmental officer visits the firms to obtain their views on achievements at the display.
- Within six to twelve months after a major trade display, participating firms are usually contacted again to ascertain what continuing business they have gained and generally to assess the results of their participation.

(ii) Trade missions

Evaluation of trade missions takes the form of a general report which is compiled at the conclusion of the mission. The report covers all aspects of the mission and also includes sections on the economic conditions and prospects of the markets visited.

Selling missions are further evaluated by checking daily with members regarding inquiries, sales, dealer and agency arrangements. These results are for departmental use and are not published in the general report. However, members do make recommendations on the potential of certain types of products in the markets visited.

(iii) Publicity

Evaluation of regular overseas publications is made by checking with firms whose products have been featured in the publications to assess if any business was generated through the publicity provided. Assessments are also made on the effectiveness of publicity agents appointed in various markets.

AUSTRALIA (cont'd)

(iv) Overseas Trade Publicity Committee

Evaluation of the promotion and publicity activities carried out by the Committee are made by Trade Commissioners and the Statutory Marketing Boards' representatives overseas. Assessments are discussed in the Committee. The Marketing Boards generally evaluate their promotional activities on a market-by-market basis.

3. (a) and (b).

4. Evaluation of the department's overall promotional activities is carried out each year in conjunction with drawing up the following year's programme.

5. The overall assessment which is carried out by the Department of Trade and Industry, is based on the individual assessments of the various projects already made on a continuing basis, on the reports of Trade Commissioners on particular markets and on discussions with firms on export prospects for their products in various markets.

In the light of this information the relative value of using different promotional techniques for particular products (or Australian products generally) in different overseas markets is assessed.

(Letter from the Department of Trade and Industry)

AUSTRIA

We hope our answer will serve your purposes although our statement is necessarily concise; there are not more than two types of official export promotion measures subject to regular evaluations in this country.

On many occasions, we were asked to give you an account of the various export promotion measures which are, in this country, primarily administered by the Austrian Federal Economic Chamber. In this context we should like to recall to you the two relevant export promotion measures referred to above:

(1) The activities of our worldwide network of External Trade Representatives' Offices, and

(2) the Federal Economic Chamber's well-practised management of Austrian participation in foreign fairs and exhibitions.

As regards the way in which the evaluation of the efficiency of our External Trade Representatives' Offices is being achieved, such information certainly is of little value to you whereas you might be more interested in our export advisory service of individual firms. This service is based on informal talks between officials of the Chamber and representatives of interested firms who want to export. The Chamber informs the External Trade Representatives by means of a circular letter of what the firm has to offer and at what conditions, prices, etc. Such circulars initiate follow-up actions of all External Trade Representatives in order to establish actual business relations between potential foreign customers and the Austrian firm. After some time, the Chamber contacts the Austrian firm and asks for an account of progress by means of a very simple questionnaire. This questionnaire contains only three items:

One item is concerned with the identification (tick-off system) of countries with which either business relations have been established or, more than that, orders have been received, both caused by the initial export advisory meeting. Under item two, the firm is invited to indicate any kind of further information or action required from the Chamber for facilitating the firm's export activities. The third item is left to other possible remarks.

This system of evaluation has proved very efficient and useful in many respects. A similar method is being applied by the Chamber in order to find out whether the participation of Austrian firms in a particular foreign fair or exhibition has turned out a success or not. The questionnaires used for this purpose are not designed to draw any business secrets such as turnover figures, from the firms approached. All evaluation activities are on a voluntary basis and no disadvantage accrues from refusing to answer a questionnaire.

(Letter from the Federal Economic Chamber)

BELGIUM

1. I attach the report on the activities on this Office for the year 1969.[1]

2. This Office has not attempted to determine the value of its activities.

3. Not applicable.

4. Yes.

5. The use of independent experts.

(Letter from the Belgian Foreign Trade Office)

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[1] Not reproduced in this document.

CANADA

1. Main features of Canada's export promotion activities

(a) Trade Fairs and Trade Missions are perhaps the main features of our export promotion activities. In FY 1969 we had nine outgoing missions and fifteen incoming missions plus approximately fifty separate incoming trade delegations. In addition five special projects are scheduled, as well as twenty-seven Trade Fairs in twenty-four countries.

(b) Our Trade Commissioners normally make a tour of Canadian industry on their return to Canada and prior to their next posting. These visits usually inform the Canadian companies of any markets they should enter and the procedures to follow.

(c) Reports from the Trade Commissioners in the field to industry directly or to Head Office, of any opportunities in their territory.

(d) A number of "Operation Export" exercises have been carried out where the Senior Canadian Government Trade Commissioners from around the world are called back to Canada to meet Canadian industry officials across Canada.

2. Evaluation techniques

A system, adopted by the Department of Industry, Trade and Commerce as a whole, called Planning, Programming and Budgeting, is proving a most effective method of evaluating the performance of the Trade Commissioner Service and indirectly our export promotion activities. Briefly, the Trade Commissioners around the world submit a forecast on what they feel are reasonable targets for their posts to achieve in the field of International Marketing Assistance and Promotion. These forecasts are co-ordinated with those submitted by the commodity specialists who compile forecasts for Canadian industry potential. The Trade Commissioners then receive this information and modify their forecast and come up with a Post Annual Plan. This Plan is monitored annually to ascertain whether or not a post is accomplishing its objectives in a manner consistent with its forecast. In this way an overall evaluation of Canada's export programme can be developed.

(Reply from the Department of Industry, Trade and Commerce, received through the Permanent Mission, Geneva)

DENMARK

With reference to your letter, please find enclosed a copy of the publication[1] "Export Promotion in Denmark" which gives a broad outline of the activities of the various export promotion agencies in Denmark.

(Letter from the Ministry of Foreign Affairs)

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[1]Not reproduced in this document. The publication contains a chapter dealing with a study made by the Foreign Trade Institute of the Copenhagen Commercial College on the "Danish Product Image in Great Britain".

FEDERAL REPUBLIC OF GERMANY

For the Federal Republic of Germany the question of evaluation techniques is of no special importance, particularly because there is no concentrated export promotion activity. No attempt is being made to encourage exports, as is being done in other countries. This is due to well-known reasons: the manner in which the German economy is organized, the foreign trading position with its persistent export surpluses, and so on.

In the Federal Republic, foreign trade receives only very general administrative attention. This is, moreover, by no means confined to exports, but also includes imports and various other kinds of operations connected with foreign trade transactions. Reference may be made to broadly-based German measures intended to increase imports in general, and more particularly from the developing countries. Since we see no need for action to encourage German exports to specific destinations, we also find it unnecessary to evaluate the successes in that connexion, an undertaking which, moreover, would of course be very difficult.

This general statement applies also, for example, to the question of participation in foreign trade fairs, to which you refer in your letter. As far as the Federal Republic is concerned, this is confined to very general contributions. Here, as in other matters relating to foreign trade, the general tendency is of course to rely on the experience acquired in each case, but no special steps are taken to evaluate export successes.

The same is true of the other examples to which you refer: publications and market information, which fall within the purview of this Office and also relate to all kinds of operations connected with foreign trade. Information on trade is regarded in the Federal Republic as having an important part to play in foreign trade promotion activity. It is our constant and active concern to meet as closely as possible, by the subjects of our publications, the information requirements of the German economy (exporters, importers, etc.). This purpose is served by continuing contacts of many kinds between the Office and groups of the economy, comprising not only day-to-day working contacts, but also thorough discussions on various subjects with chambers of industry and commerce, associations covering special economic sectors, and so on. Commercial policy requirements for information are also taken into consideration. Here too, however, no special steps are taken to evaluate results.

(Letter from the Federal Office for Information on Foreign Trade)

I R E L A N D

1. The answers to this question are summarized in Appendix I of our Annual Report 1968, pages 57-58 (copy of Report attached).[1]

2. We have used cost-benefit analysis to assess the contribution made by our organization to the overall growth in exports and attempted to estimate the net economic contribution to the State from our activities.

3. We have continuous contact with exporting firms and in this way can tailor-make our services and grants to their needs. In addition to this we find that the employment of independent experts gives an objective and authoritative view of our activities.

4. We are continually evaluating our activities and use cost-benefit evaluation
and techniques to do so.
5.

(Letter from the Department of External Affairs)

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[1] Not reproduced in this document.

I T A L Y

As far as the evaluation of cost-effectiveness of promotional activities is concerned, we are unable to give you any valuable indications.

Some time ago we approached this problem, but on account of a complexity of internal and above all external elements influencing the development of our export trade, we deemed it would be unrealistic to figure out such evaluation.

(Letter from the Istituto Nazionale per il Commercio Estero)

NORWAY

It is right to stress first the known difficulties of such evaluation. This topic has been discussed internationally for years and no accurate methods have been found so far. This is one of the main reasons why export promotion work in Norway is centralized in the Export Council and that the Council, although an official institution, is under direct supervision and leadership of the exporters themselves - members of the Council. It is thought that the exporters know their own problems best and will be able to make the best choice of priorities and execution. It has not been found necessary to make an overall re-evaluation of the work of the activities or of the organization of export promotion since the Council was established.

In evaluating the different activities, the Council will usually not rely on any single method but will try to use questionnaires, special committees, and on-the-spot investigations in order to have the best possible assessment of the usefulness of each promotion.

(Letter from the Export Council)

POLAND

In connexion with the questionnaire on evaluation techniques (point 1) I am sending enclosed the following materials[1]:

1. No. 3 of "Polish Foreign Trade" (Ekonomista) of 1969 containing an article by Mr. S. Maksymowicz, Secretary General of the Polish Chamber of Foreign Trade, entitled "Strengthening of trade relations with foreign countries".

2. No. 7 of "Polish Foreign Trade" containing an article of Mr. Leon Gadziomski, Director of Foreign Relations Department in the Polish Chamber of Foreign Trade, on Poland's participation in international fairs and exhibitions.

(Letter from the Polish Chamber of Foreign Trade)

[1] Not reproduced in this document.

PORTUGAL

1. The principal features of activity of "Fundo de Fomento de Exportaçao" (Portuguese Exports Board) are:

   - Trade information to national exporters and foreign importers
   - Study and market research abroad
   - Propaganda of Portuguese products abroad
   - Participation in international trade fairs
   - Assistance to exportable production and to the export trade (aiming to provide those working in this branch of commerce a greater efficiency in their activities, and besides, to help to improve their commercial mentality; this kind of help can be given to the production in case it is really intended for exportation).

2. It is extremely difficult to evaluate the results of the efforts for promoting exports, as it is also found by the countries most developed on the matter. Nevertheless, the Portuguese Board has tried to evaluate some of its activities by the results obtained, coming to some conclusions which, though not being considered absolutely accurate, give an indication of the interest being adopted.

   The following methods are used in accordance with the activities referred to:

   Participation in international trade fairs

   At the end of every participation undertaken by F.F.E., a detailed questionnaire about the interest of the show, the results obtained, perspectives of the market for certain goods, etc., is sent to each exhibitor.

   The answers to the questionnaires, more or less detailed, give this Department the idea about the interest of generally maintaining this kind of activity and also of being present in certain international fairs.

   With the same aim, a similar procedure is used when an exporter participates separately in a fair having no official participation organized by this Department.

   For this purpose and in order to grant financial help for covering a certain percentage of the costs borne by the exporter, it is absolutely necessary that he supplies these services a resumed report, enclosing his answers to a questionnaire drawn up about the principal points relative to his participation in the designed fair.

PORTUGAL (cont'd)

Advertising

Not regularly but whenever necessary, the Protuguese Department tries to evaluate the usefulness of the advertising campaigns held abroad for certain exports, e.g. wines and canned fish.

For this purpose F.F.E. engages a Portuguese or foreign firm specializing in these studies that then elaborates a report with the conclusions about the money spent on this feature of commercial promotion.

Courses and seminars

When organizing the seminars designed for exporters about the subjects really interesting to their activity, this Department usually evaluates the general results at the end of each seminar by listening in loco the participants about the improvements in their knowledge they think have arisen from this activity.

3. The technique which has been found most useful was the written questionnaires, though the results are not so good for each case.

4. In the near future, F.F.E. wishes whenever advisable and possible to evaluate our overall export promotion activities.

5. The techniques to adopt, in principle, are those of No. 2, being, however, our intention to adopt in future the techniques having been used before successfully by the developed countries.

(Letter from the Portuguese Exports Promotion Board)

SWITZERLAND

It is extremely difficult to devise techniques for the systematic and regular evaluation of the effectiveness of export promotion efforts, and we are not aware that any institutions similar to ours, at least in Europe, have successfully done so. The problem has been referred to on a number of occasions at annual meetings of the directors of European trade development institutions. Some attempts have been made here and there in particular cases, but these cannot be described as true techniques in the strict sense of the word which are applicable for the evaluation of the various activities.

This problem of the evaluation of effectiveness is certainly important, and we are concerned with it since we realize that it would be advantageous for us to measure the scope of our efforts, particularly with regard to our general publicity abroad on behalf of our country's economy and industry. Some countries have on occasion used sample surveys in this field, a method which we have not so far been able to employ, since such surveys are costly, even though they may occasionally be confined to relatively small samples.

For the time being, we must therefore limit ourselves to study empirical evaluations derived, for example, from Swiss firms using our periodicals for publicity, from foreign readers of our publications, from Swiss firms which have taken part, under our auspices, in foreign trade fairs, from exporters asking us to inform them of possible outlets for their products in foreign markets, and so on.

For the present at least we are therefore not in a position to contribute from our experience anything which may be useful to the developing countries in the field with which the International Trade Centre is concerned.

(Letter from the Swiss Office for Trade Development received through the Federal Department of Economics)

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

1. The main United Kingdom export promotion activities include the provision of advice and information on market assessments, specific export opportunities, overseas tariffs and import and other regulations, indirect taxes, certificates of origin, consular documents, overseas quota restrictions, the commercial standing of overseas traders and on overseas trade fairs and British Weeks, etc. Business visits are facilitated, assistance is given in finding overseas agents and representatives and, in collaboration with industry, collective participation in trade fairs abroad is arranged. Further information on these and other services is given in the enclosed handbook "Services for British Exporters".[1]

2. The only evaluation so far undertaken has been some recent cost effectiveness studies of agency activities, British Weeks and the British Exhibition in Mexico 1966 (see enclosed report given to "EPTO XI" in Rome, June 1969).[1] The main measure of the worth of the export services provided is the extent to which they are used. The volume of usage is thus the principal criterion of usefulness but the comments of industry on whether the services need to be revised to meet changed circumstances or whether new services are required are also taken into account.

   On a rather different plane, there have been enquiries culminating in the "Report of the Select Committee on Estimates" (Sixth Report, Session 1967/68, "Promotion of Exports") and the "Report of the Review Committee on Overseas Representation". (Copies of both Reports have been made available to the International Trade Centre.)

3. All of (a), (b) and (c).

4. Yes.

5. Output budgeting and cost-benefit techniques - but these have not yet been used sufficiently to make comment possible.

(Letter from the Board of Trade)

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[1] Not reproduced in this document.

UNITED STATES OF AMERICA

1. (A) A broad information programme which involves

- reporting from the Foreign Service
- economic research and analysis in Washington
- industrial studies prepared in Washington
- market research conducted overseas on direction from Washington
- maintenance of extensive data on business firms abroad which might appropriately engage in business transactions with United States firms
- specific trade opportunity information covering private firms, foreign government tenders, and future overseas construction and industrial expansion
- provision for the distribution of this basic information (sometimes utilising electronic data processing techniques) through a publication programme and through the activities of Department of Commerce Field Offices located in principal business centres of the United States

(B) A direct action trade promotion programme featuring

- the organization and operation of Trade Missions oriented by specific products and markets
- the operation of United States Trade Centres in several of the principal trading centres of the world for the purpose of featuring narrowly defined products in trade shows and participation with United States-sponsored exhibits in major international trade fairs
- the operation, jointly with industry, of a programme in which groups of United States firms with some Government assistance undertake for a specified period of time a variety of trade promotion activities to develop markets for related products in a particular area
- the operation of a programme to increase the participation by United States industries in international markets through the identification of overseas opportunities pursuant to market research and the development of plans for selling in these markets.

2. We have been and are continuing to make efforts to evaluate our trade promotion activities. As the process is continuous, the query with regard to dates is not applicable. A continuing dialogue with industry regularly makes it possible for us to obtain the reactions of business users of our services and participants in our activities. Trade association views are sought and received. The Field Offices regularly report evaluative comments

UNITED STATES OF AMERICA (cont'd)

of individual users. Consultative groups of businessmen which serve many purposes also contribute reports and considered opinions on the value of specific activities.

For regularly scheduled publications, subscription prices are maintained at a level to assure that the material is not reaching disinterested parties and all other publication lists are frequently culled, thus providing a measure of the user demand for the services involved.

With regard to activities providing the potentiality for immediate sales (Exhibitions and Trade Missions) a specially constituted Programme Evaluation Staff maintains detailed performance records based on the report of participants at the conclusion of the event, and at least one follow-up inquiry a year after the conclusion of the event. For Trade Opportunities (T.O.s), follow-up reporting is handled by the Foreign Service based on information received from foreign firms covering: (1) actual dollar purchases from the United States; (2) agency agreements established; and (3) replies from United States firms and other pertinent information. In FY 1968, follow-up information was obtained on 78 per cent of the T.O.'s submitted.

New valuation techniques are planned at the same time as new programmes. The object of evaluation procedures is to provide a basis for decisions by management with regard to the most effective use of staff and funding and to provide a proper basis for decisions necessarily taken by the Congress.

To a limited extent, electronic data processing techniques are being used in evaluation work.

3. The questionnaire (a), the on-the-spot investigation (b), and the continuous discussions with business users (d) are our most important evaluation procedures. The questionnaire is frequently used in connexion with an on-the-spot investigation. It is the principal tool in follow-up inquiries made a year after specific activity. The continuous discussion (d) is probably the most useful technique in connexion with the non-quantifiable activities. Volunteered correspondence or comments by users are an important feature of this dialogue with industry. The employment of independent experts (c) is a technique which we have found only occasionally useful.

4. We plan to proceed with our continuous evaluation as indicated in response to questions 2 and 3. We also have under consideration the use of sampling survey techniques to obtain measures of the impact on the economy of trade promotion activities and measures of the usage of Government-sponsored trade promotion activities.

5. We plan to continue the use of the several techniques described in response to questions 2 and 3. For studying the direct impact of all types of export promotion activities on United States exports, recurring sample surveys of United States manufacturers will be considered.

(Letter from the United States Mission, Geneva)

ANNEX II

REPORT OF E.F. MANAGEMENT CONSULTANTS, STOCKHOLM ON THE PUBLICATIONS PROGRAMME OF THE INTERNATIONAL TRADE CENTRE

November 1969

BACKGROUND AND PLAN OF OPERATION

In August 1969 EF Management Consultants, Stockholm, Sweden, were contacted in order to carry out an evaluation study of the publications programme of the International Trade Centre UNCTAD/GATT, Geneva, Switzerland.

The following plan of operation was agreed upon.

1. The objectives of the evaluation exercise are as follows:
   - To determine whether International Trade Centre publications correspond with definite trade promotion needs of the developing countries, and are being produced in a way that meets these needs.
   - To determine whether these publications are being distributed in a way that ensures that those who could profit from them are really getting them.
   - On the basis of the evaluation of past work, to make recommendations concerning the future orientation of the publications programme (nature and content of publications) and an optimum distribution method.

2. The publications to be reviewed comprise four types:
   - The International Trade FORUM, a bi-monthly magazine dealing with exporting and marketing techniques and information.
   - Market surveys, covering products and markets of interest to developing countries.
   - Handbooks covering various trade promotion techniques.
   - Directories and bibliographies aimed at enabling developing countries to build up their own trade promotion libraries and obtain relevant trade and market information.

3. The consultant adopted the following procedure in giving effect to the Plan of Operation:
   - Visit by the consultant to the Trade Centre as introductory phase, to familiarize himself with:

(a) the Centre's publications and what they set out to do;

(b) distribution methods.

- Selection by the consultant, in conjunction with the Trade Centre, of a number of developing countries where a detailed investigation will be carried out. These countries should be "representative" in that:
  (a) they should cover all three developing continents;
  (b) they should cover countries at varying stages of development;
  (c) they should cover countries of different size and resource levels.

- Visit by the consultant to the selected countries for interviews with those whom the Trade Centre publications are intended to inform. These will include both trade promotion officials and exporters. They should include not only those who should have received them but did not, in order to determine how the distribution system can be improved. With respect to those who received them, detailed comments on their usefulness should be elicited. It is necessary to determine whether they achieved the effect that was intended. It is also necessary to find out whether there are any gaps in the programme that need filling.

- Completion of a written report on the results of the survey, with recommendations for the future orientation of the Centre's publications programme.

The study was carried out in the following manner:

- In order to plan the final evaluation programme repeated discussions were held with 19 members of the Trade Centre staff in Geneva.

- These countries were selected and visited from September 20 to November 1, 1969, in the following order:

  Malaysia (Kuala Lumpur)
  India (New Delhi, Bombay)
  Tanzania (Dar es Salaam)
  Brazil (Rio de Janeiro, Sao Paulo)
  Venezuela (Caracas)
  Tunisia (Tunis)

- In these countries discussions were held with 101 representatives of various sectors of export promotion. Discussions were also held with the Geneva delegations of these countries.
- The results are presented in this report.
- In this connection it is important to note that evaluation studies of publication programmes are uncommon. In fact we have not been able to trace a single instance of systematic evaluation among the export organizations in developed countries. One objective of this study is therefore to show the possibilities and limitations of evaluation and suggest methods for future evaluation.

* * *

In accordance with the principles of our organization, this study is confidential and intended for exclusive use by the International Trade Centre.

The study has been carried out by Evert Gummesson under the supervision of director Lars-Olof Odengran.

We would like to express our gratitude to the personnel of the Trade Centre and people in the countries visited for their kind co-operation

Stockholm, November 1969
EKONOMISK FORETAGSLEDNING (EF) AB

Evert Gummesson

ON EVALUATION

This study is concerned with the future. By studying the situation today and the situation expected tomorrow we have been able to make a number of recommendations on future Trade Centre activities.

The two major matters with which the evaluation is concerned can be stated in these questions:

> How can the distribution of the publications be improved so that a greater number of people which could profit from the publications get them?
>
> If the publications reach the people who could profit from them, how could the publications be made better or be better introduced so as to make the recipients use the knowledge obtained through them?

The measurement problem is illustrated in figure 1 on the next page. To the left we find the various ITC publications. These are sent to either organizations (including private companies, libraries etc) or to individuals. In both cases it is desirable that the recipient should circulate the publications and make them available to those who could use them. This is indicated by the arrows.

The effectiveness of this distribution process can be established through interviews and observations.

If the distribution system works and the publications reach the right people attempts could be made to establish the impact of the publications. The last three boxes show possible effects of the publications. By reading a handbook one might get increased knowledge and change ones attitudes towards certain problems. This effect could be immediate and could also be created without much influence from other sources.

MODEL FOR MEASURING THE EFFECTIVENESS OF THE ITC PUBLICATION PROGRAMME

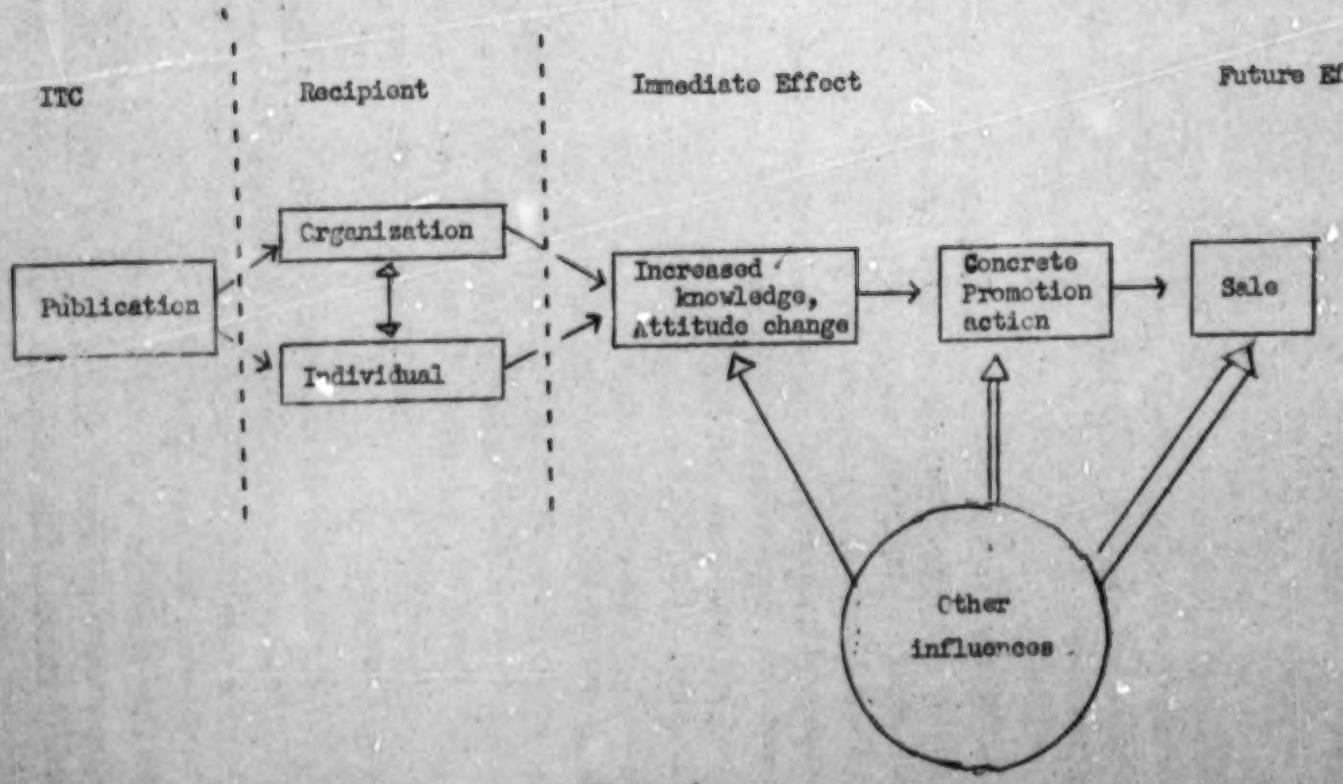

Figure 1

It is, however, the intention that the publications should create concrete promotion actions like making a market survey, taking part in a trade fair, running an advertising campaign etc. It cannot be expected, however, that publications will lead to direct action by themselves. The concrete actions are likely to be the result of many influences: discussions with people, knowledge from other books or training courses, the country's infrastructure etc. These influences do not occur at the same time and consequently this effect is not immediate. To illustrate the great importance of other influences a thick arrow has been drawn from the circle.

The ultimately desired effect is export sales. This is illustrated by the last box. Here the effect from a single publication is likely to be fairly small in comparison to other influences. This does not mean that the publication is unimportant - it is the sum of a great number of influences which creates the sale. The increased significance of other influences is stressed by the thick arrow. It is also clear that the final effect "sale" will not be immediate and can only be expected in the long run.

Figure 1 points out some very important facts:

- A single publication is generally not powerful enough to create, by itself, an impact that leads to concrete action. Therefore, a publication must be viewed as a part of many influences which, taken together, might create desired actions.
- The final effect of a publication is a long run effect. One cannot today measure effects which are expected over a period of five years, ten years or even more.

What remains to be measured today are the partial, short term effects. These are primarily "Increased knowledge" and "Attitude change". Sometimes concrete promotion actions might occur as a direct result.

However, the last two boxes cannot usually be measured today, if ever. If a connection between the publications and increased knowledge is established it is, however, reasonable to assume that this knowledge will contribute to future actions.

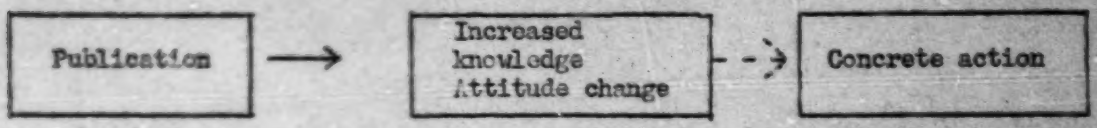

Figure 2

Figure 2 illustrates this fact. The publication causes increased knowledge which is established through some kind of measurement process. Increased knowledge is then assumed to cause concrete action.

In order to find out whether increased knowledge or attitude change has occured the recipient's knowledge and attitude before reading the publication must be known. If this is not known one cannot objectively judge a change. However, there are often no ways of measuring the reader's knowledge before and after, except if he takes part in a training programme. Instead the usual way is to interview the reader and ask him if he gained any knowledge from the publication. One must then assume that his answer is correct. By using special interviewing techniques it is often possible to check if he is truthful or not.

When the actual effects have been established it remains to judge whether the effects are satisfactory or not. In order to do this the actual effects are compared to the expected effects. This requires that the expected effects have been expressed in the same terms as the actual effects are measured. This is generally referred to as the operational approach. This is analogous to making a forecast at the beginning of a period, comparing the forecast to actual results at the end of the period, analysing the deviations and suggesting measures to improve forecasting and results in the future.

There are also other methods of measuring results e.g. the readership surveys carried out by magazines. These methods, however, are not relevant for the ITC publication programme.

FINDINGS

DISTRIBUTION SYSTEM

Today the publications are distributed in the following way.

1. Mailing list. This is divided by countries and the recipients in each country are split in two groups
   - L/FOR, which consists of the liaison officers and organisations concerned with export promotion in general. This group receives samples of all publications and is expected to disseminate information on them in their country. Less than 3,000 copies are sent to this group.
   - FOR, which consists of all people receiving FORUM. This constitutes the major part of the list.

2. Fulfilment of orders for publications from FORUM readers and others.

3. Participants in training courses are offered the publications.

4. Publications concerning specific subjects primarily market studies are sent to organizations, firms and individuals specialized in the market or commodity in question. It is the responsibility of the author to prepare a mailing list for this purpose.

The publications are sent by surface mail which means that the recipient will have to wait up to four months from the date he orders a publication till he receives it.

EFFECTIVENESS OF DISTRIBUTION SYSTEM

In three of the countries visited a detailed check of the mailing lists was made with the following results:

Country I: The total list consisted of 80 names of which 29 were inaccurate in some way.

" II: 25 out of 150 names were inaccurate.

" III: All names and addresses accurate.

These results are in accordance with experience from developed countries. Mail order houses, list-brokers, etc. often manage to keep lists which are inaccurate by only 5 or 10% but inaccuracies often amount to 25% or more. This in spite of the fact that the problem of keeping mailing lists up-to-date in developed countries is small compared to the problem in developing countries.

The developing countries themselves have provided the Trade Centre with the mailing lists. However, some of the countries obviously do not inform the Centre of changes in names and addresses. In country III the list is accurate. This is explained by the fact that the Trade Centre has provided this country with export promotion advisers who have worked actively to establish good lists.

The information that a list is inaccurate by a certain percentage is, however, of limited value. It is of more interest to know to what extent the people who should receive the publications are at all included in the lists. This is probably where the more significant inaccuracies occur. The list contains e.g. very few exporters and potential exporters.

In all the countries visited the liaison officer and many of the other distributors do not circulate or otherwise make the publications available in any systematic way. In many cases the publications are stored or given away or lent if someone specifically asks for a copy. In a few cases copies

of market studies had been forwardeed by the liaison officers to organisations or exporters specifically concerned with the market or comodity in question.

In some of the countries visited private or semi-private organisations showed active interest in informing their members of Trade Centre activities. This was done by presentation of the publications in trade magazines, bulletins, etc. and also in training courses and seminars.

The active introduction of the publications by an organisation seems to be the work of single individuals. It is also obvious that people who had attended training-courses given by the Trade Centre had a stronger feeling for the need of export marketing and also in many cases actively tried to introduce the marketing approach in their organization.

Even if the publications are sent to the right organization they often do not reach the right person within this organization. In many cases one department, e.g. the economic research unit, receives the publications and the export promotion unit is not aware of their existence. Often the publications go directly to a librarian who registers and stores them without informing anyone of their existence.

There seems to be a reluctance to write to the Trade Centre for publications because of the long delivery time.

It is also a wide-spread idea that all correspondence with the Trade Centre must pass through the liaison officer and that direct ordering from the Centre would not be acceptable.

USEFULNESS OF THE PUBLICATION

A prerequisite for evaluating the impact of the publications is of course that the people who are best suited to use them receive them. We have noted above that the distribution process is difficult and needs to be developed.

Consequently the distribution became the major object of this study.

However, in those cases when discussions were held with people who had to some extent used the publications some interesting information was elicited.

1. The following groups of people had used the publications and also expressed appreciation of their usefulness.
   - People who had already practical experience in export marketing.
   - People who had a university degree in management and marketing.
   - People who had taken part in ITC training courses or otherwise been in close contact with the Centre.
   - Lecturers at universities, training centres etc.
   - Employees in chambers of commerce, federations of exporters etc.
   - Editors of trade journals, newsletters etc.

2. The following groups of people had not used the publications widely.
   - People who export through agents.
   - Manufacturers of potential export products.
   - Officials in ministries.
   - People who had a university degree in economics.

3. It is obvious from point 1 that people in <u>close contact</u> with export marketing or with <u>training in marketing</u> from courses use the publications

4. People described in point 2 above sometimes expressed critical remarks which revealed the following:
   - They did not understand the possibilities and limitations of e.g. a market study. They wanted the study to give exact figures on each single quality of a product in each segment of each market and also to tell them exactly which action they should take.

- They seemed to lack motivation to study the publications.

5. All groups expressed their appreciation of the ITC publication programme as such. They also expressed great interest in future titles.

6. The publications are used as course material to a great extent. Lecturers who had not seen the publications before became interested and will probably use them in the future.

7. The publications are widely quoted and often reviewed in trade journals, newsletters etc.

ANALYSIS

TARGET GROUPS

The distribution system today is based primarily on one mailing list for each country. The names included in these lists could be divided into the following groups. The order below does not indicate importance.

A. Liaison officers

B. Ministries and other official bodies concerned with international marketing

C. Chambers of commerce, organization of exporters, etc. of a semi-official or private nature

D. Trade commissioners abroad

E. Exporters and potential exporters

F. Universities, schools, training centres, etc. in the field of economics, management, marketing, etc.

G. Organizations and companies concerned partly with trade promotion, such as banks, business consultants, advertising agencies

H. Trade journals, commercial section of newspapers, newsletters, bulletins etc. (sometimes connected with institutions mentioned above)

I. Libraries, documentation units (often connected with institutions mentioned above)

These groups receive the publications for different purposes. Some of the possible purposes are listed below:

Group		Purpose
A.	Liaison officers	- Distribute to others - Have available at library
B.	Ministries, etc.	- Have available as background material - Use in economic planning
C.	Chambers of commerce, etc.	- Select information for dissemination among members
D.	Trade commissioners	- Use in everyday work - Basis for further investigation
E.	Exporters, etc.	- Use in everyday work - Take decision on future actions - Basis for marketing plans
F.	Universities, etc.	- Use as course material - Research material
G.	Banks, etc.	- Assist clients
H.	Trade journals, etc.	- Inform readers of new publications - Review publications - Reprint articles
I.	Libraries, etc.	- Have the publications easily available - Make their existence known

This list does not claim to be exhaustive. It merely shows that the nine groups receive the publications for vastly different reasons. This suggests that the categories should be treated differently by the Trade Centre.

The three categories of publications also differ in character. In addition to that, each separate issue within the categories is partly intended for different recipients. The major characteristics of each type of publication are given below.

FORUM:

- Large circulation
- Educational
- Announces new publications
- Describes other ITC activities

Market studies:

- Limited circulation and only to highly qualified groups of decision-makers
- Each study of interest to different industries

Handbooks, directories, bibliographies:

- Larger circulation than market studies
- Educational
- Useful on various levels in the organization
- For everyday use

We have found that

- the mailing list contains nine different target groups
- the gruups use the publications for different purposes
- each type of publication and sometimes each issue of one type is to some extent useful to different people
- today's distribution system does not take these facts into account.

METHODS OF REACHING THE TARGET GROUPS

When the target group for each publication has been defined there must be a systematic distribution process available. It will, however, not be possible to rely solely on mailing lists. We have mentioned earlier in this report some of the problems associated with mailing lists:

- It is impossible to keep large lists accurate
- Even if a publication is sent to the right organization or company it seldom reaches the right person within the organization.

It is therefore necessary to find other methods of distributing the publications in combination with the mailing list. A number of possibilities will be discussed below.

1. A great number of ministries, chambers of commerce, federations of exporters, etc. publish their own trade journals, bulletins, newsletters, etc. In addition there are private publishers of trade journals. Newspapers often have a commercial page.

   These journals, etc. have their subscribers on a mailing list. These lists can be kept fairly accurate because they are often small, the contact between publisher and reader is closer, etc.

   If the editors are provided with the publications regularly and also told about their purpose, contents etc. then information on the publications, reviews and reprints are likely to appear in the journals.

   In this way a great number of people can be reached who will never be reached otherwise. They will also be reached in many cases in local languages. It is important for the Trade Centre to know anyhow what journals etc. are published, and also to receive them

at the Centre. There are consequently strong reasons for compiling a mailing-list of journals etc. (and their editors).

2. Personal presentations are generally considered much more effective than mass communication.

The publications could be introduced as often as possible through personal presentations. These presentations could be made by Trade Centre employees visiting developing countries for this sole reason, or by employees travelling for other reasons as an extra task. It might also be valuable to have a roving representative who could introduce publications as part of his job.

3. The interviews show that ITC publications constitute a unique library of suitable course material on export marketing. It could therefore be appropriate to introduce the publications systematically to universities, training centres, etc., pointing out what is available, how it could be used, etc. There is no doubt that the publications provide material on many levels: undergraduate, graduate, postgraduate, management, etc. In many developing countries not only universities but also chambers of commerce, federations of exporters, and trade associations are starting their own courses, seminars, etc.

Knowledge of ITC publications and how to use them in training could be of great value to them. Presentation of the publications as course material could be done by means of letters, trade journals and personal visits. The Trade Centre should therefore compile lists of universities, training centres, etc. in developing countries.

The effect of early contact for students with an advanced export marketing approach will be important over the long term. The impact is also likely to be greater on young people who have not

yet started their professional career.

4. The publications could be advertised not only in FORUM but also in each other. More detailed information on their contents, preferably also in a more attractive form and with an order coupon would increase the orders by people who are genuinely interested in them.

5. In connection with the contacts with trade journals, etc. it is possible to go a step further, namely to introduce a press service. Through this service the journals could receive free of charge material on export marketing which has not been published by the Centre but is especially suited for trade journals. In developed countries political parties often provide papers with background articles on important topics which individual papers could hardly produce themselves.

6. Libraries and documentation units often have a passive rôle as "warehouses" of publications. If no one asks for a publication they will never announce its existence. It is becoming more and more common in developed countries for libraries to display new publications and actively publicise their existence. The Trade Centre could probably increase knowledge of the publications by getting the libraries to take appropriate action.

The problems of distributing the publications are closely linked to the problem of presenting a publication in such a way that the recipient reads it and profits from it.

The Trade Centre today is treating the publication programme as a problem of subject selection, editing and physical distribution. The majority of the personnel is concerned with the first two problems while the third one is handled as a part-time function by one or two employees.

The problem of introducing the publications and motivating people to read them is not handled systematically, especially the motivation problem. By using a combination of methods described above it is, however, possible to increase substantially the use of the publications.

Finally, the long time for delivery is not satisfactory. On the other hand air mail of heavy publications is too expensive. One possible solution which has been suggested is to appoint agents who are allowed to charge a certain amount in local currency for each publication, this charge constituting their compensation. The agent could be a publisher, a chamber of commerce etc.

FUTURE EVALUATION

In an earlier chapter the possibilities and limitations of evaluation were briefly described. One important point was that evaluation should be planned as an integral part of each project and the expected results should be defined by means of measurement methods.

It was also stated that the objective of an evaluation is to elicit information which could form a basis for improved activities in the future.

Evaluation is generally more valuable if undertaken continuously. The people who work on projects will get the guidance of the feed-back of information regularly and can adjust their activities accordingly.

Continuous feed-back on the effect of publications arouses difficult problems of methodology. The measurement methods are sometimes both costly and unreliable.

There are, however, possibilities of increasing the feed-back received today. Some suggestions will be given below. Other simple methods can be elaborated in the future.

Information wanted	Measurement method
- The increase in the number of exporters and potential exporters who receive ITC publications	- Counting their number in the mailing list - Counting the number of enquiries from the group
- The increase in the number of universities, training centres, etc. using ITC publications	- Counting their number in the mailing list - Questionnaires
- The increase in the number of trade journals, etc. which use ITC publications	- Counting their number in the mailing list - Counting the number of times ITC publications have been mentioned and quoted
- Increased availability of ITC publications in developing countries	- Counting the number of libraries in the mailing list - Questionnaires
- Ideas on subjects for future publications	- Questionnaires - Interviews - Observations

It is only possible in this report to suggest methods and indicate the significance of continuous feed-back. Elaborating the methodology must be a separate project.

ORGANIZATION

The distribution organization can be described as having two parts:

- Central unit in Geneva - ITC
- "Field force" in developing countries. This includes the liaison officer and some other organizations.

It seems obvious that the central unit today does not have sufficient resources in handling the distribution problem, the problem of introducing the publications and continuous evaluation of the effectiveness of the system. It is also obvious that the Trade Centre must allocate considerable resources to these problems in the near future in order to increase the impact of the publication programme.

The "field force" in which the liaison officer is a central figure must also be reinforced. The liaison officer is generally an important official in a ministry of foreign affairs, ministry of trade or corresponding body. He acts as ITC liaison officer only as a part-time function. It could not be expected that he should also have time to work actively in distributing and introducing the publications. Moreover he is involved in all Trade Centre activities, not only the publication programme.

The importance of the liaison officer is to be found in his rôle of official representative of the Trade Centre. Through his position, his connections and his knowledge of the local institutional framework he is a valuable and useful contact. The concrete work of distributing and introducing the publications could be spread to various other people. The description below is to indicate the general idea. The actual organization has to be worked out for each separate project and country.

- Visits by ITC personnel in order to introduce the publications
- Direct contact with chambers of commerce, federations of exporters, etc. which are willing to work actively among their members
- Direct contact with universities, training centres, etc.
- Direct contact with editors of trade journals, newsletters, etc.

RECOMMENDATIONS AND CONCLUSIONS

The main subject of this report has been the method of distributing the publications, of introducing them to potential readers, and of evaluating their effects in the future.

The Trade Centre has progressively built up a distribution system which forms a solid ground for the activities suggested below. The development of the Centre has been rapid and resources have been allocated mostly to the editing of new publications, training courses etc. This study shows that activities to "market" the publications are essential at this point and that substantial resources have to be allocated to this in the future.

In those cases where the publications have reached the people who should profit from them, most of them have also read the publications and used them to some extent.

We would like to make the following recommendations:

1. We believe that the effect of the publication programme would increase if the plan for each publication contained the following information:
   - The general purpose of the publication
   - Specific objectives of each publication expressed in terms of measurement methods
   - A list of the target groups
   - The expected use for each target group
   - The methods of reaching each target group
   - Activities to stimulate each target group to use the publications in the intended way
   - Activities to carry out measurement of the effects.

2. The mailing list can only be one of many combined means of reaching the target groups. We recommend that the following means also be used:

- Systematic contacts with editors of trade journals, newsletters, in order to disseminate information on and from the Trade Centre to its readers
- Personal presentation of the publications
- Systematic contacts with universities, training centres, etc. in order to provide them with course material
- More thorough publicity for each publication in all publications, not only FORUM.
- Assistance to libraries and documentation units in order to improve the availability of the publications and knowledge of the availability.

3. The mailing list today consists of a mixture of groups. We recommend that the lists should be divided into the nine groups discussed in this report. The future will probably show that these groups could be further refined or sometimes changed. It is important that the editors in the future have the responsibility of selecting target groups for each specific publication.

4. We recommend that each separate target group should be given special service and treatment from the Trade Centre, so as to help them to achieve their purpose with the publication.

5. The people interviewed expressed a strong desire to increase their knowledge in the fields covered by existing and planned ITC publications. As the publications present a completely new approach to exports for most of the developing countries one cannot expect the publication to exercise an immediate influence on the actual behaviour of existing organizations and companies. Also, a publication is not powerful enough to create - by itself - the desired changes in behaviour. Used in combination with other activities,

however, the ITC publications are likely to contribute substantially to improved export promotion. We therefore recommend that the publication programme should be more closely integrated with other ITC activities. A systematic introduction of new publications, preferably through personal visits to developing countries, is also likely to reinforce the impact of the whole programme.

6. It is essential that the feed-back of information on the effects of each publication project should be systematic and continuous. Methods of organizing this have been suggested in this report. We recommend that further methods and practical applications of these methods should be elaborated in the near future.

7. The recommended activities imply changes in the organization:

- Resources must be allocated
  - to build and maintain a more effective distribution system
  - to make possible visits to developing countries in order to introduce the publications
  - to elicit continuous feed-back information in order to evaluate effects
- The rôle of the liaison officer should be that of official local representative of the Trade Centre
- The concrete work to spread knowledge on export marketing should be performed by closer contact between the Trade Centre and organizations which have shown special interest and ability in ITC activities.

8. We recommend that attempts be made to cut the time for delivery by the use of local agents. This system could be tested in a couple of countries before any definite decisions are taken.